



HOUSE OF REPRESENTATIVES

SB 1523

truth in taxation; levy increases

Prime Sponsor: Senator Smith, LD 11

DP Committee on Ways and Means

DP Caucus and COW

X House Engrossed

OVERVIEW

SB 1523 directs a political subdivision governing body to approve any proposed tax levy increase of 15% or more, excluding increases due to new construction, by a roll call vote.

PROVISIONS

1. Requires a proposed community college district, county or municipal tax levy that increased by 15% or more from the previous year, excluding increases due to new construction, to be approved by the jurisdiction's governing body by a unanimous roll call vote.
2. Makes technical changes.

CURRENT LAW

Laws 1997, Chapter 150 established the Truth in Taxation (TNT) notice and hearing requirements. The TNT law requires public disclosure from political subdivisions proposing an increase in their primary property tax levy from the prior year. If a community college district, county, city or town's proposed primary property tax levy, excluding amounts attributable to new construction, is greater than the amount levied in the year prior, the taxing jurisdiction must publish a notice and hold a public hearing to educate the public. The hearing must be noticed in a specified manner, informing taxpayers of the intent to raise the primary property taxes over the prior year's level. The political subdivision governing body must consider a motion to levy the increased property tax by a roll call vote. While the political subdivision may increase property taxes, if it meets TNT requirements, it is still prohibited from exceeding its levy limit (A.R.S. §§ 15-1461.01 & 42-17107).